

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

PAUL R. DULBERG,)	No. 14 B 83578
)	Rockford, Illinois
)	9:30 a.m.
Debtor.))	October 31, 2016

TRANSCRIPT OF PROCEEDINGS BEFORE THE
HONORABLE THOMAS M. LYNCH

APPEARANCES:

U.S. Trustee:	Mr. Joesph D. Olsen.
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1 THE CLERK: Paul Dulberg, 14 83578.

2 MR. OLSEN: Good morning, Your Honor.
3 Joseph Olsen, trustee.

4 This comes before the Court on two
5 motions. One is to authorize the engagement of
6 special counsel to pursue a personal injury
7 litigation, I think it's in Lake County, involving a
8 chainsaw accident of some sort.

9 And then, presumably, if the Court
10 grants that, the second one is to authorize the
11 estate to enter into -- I'm not sure what you call
12 it, but binding mediation. But there's a floor of
13 \$50,000, and there's a ceiling of \$300,000.

14 And I guess I've talked with his
15 attorney. He seems very enthusiastic about it.
16 There may be some issues about the debtor being a
17 good witness or not, I guess.

18 It had to do with a neighbor who asked
19 him to help him out with a chainsaw, and then I guess
20 the neighbor kind of cut off his arm, or almost cut
21 off his arm right after that. There's some
22 bitterness involved, understandably, I guess.

23 But I don't do personal injury work at
24 all, so I'm not sure how that all flows through to a
25 jury, but he didn't seem to want to go through a jury

1 process. He liked this process, so...

2 THE COURT: Very well.

3 Mr. Olsen, first of all, with regard
4 to the application to employ the Baudin law firm, it
5 certainly appears to be in order and supported by
6 affidavit.

7 Their proposed fees are more
8 consistent with at least what generally is the market
9 than some of the fees you and I have seen in some
10 other matters.

11 One question for you: Have you seen
12 the actual engagement agreement?

13 MR. OLSEN: I thought it was attached
14 to my motion.

15 THE COURT: Okay.

16 MR. OLSEN: If it's not, it should
17 have been.

18 It's kind of an interesting --
19 actually, this is kind of a unique one. The debtor
20 actually paid them money in advance, and then he's
21 going to get a credit if they actually win, which I
22 guess enures, now, to my benefit, but that's okay.

23 And there's a proviso for one-third,
24 except if we go to trial, then it's 40 percent. So
25 these are getting more creative by the PI bar as we

1 plod along here, I guess, but...

2 THE COURT: It's a bar that's
3 generally pretty creative.

4 And my apologies. I saw the
5 affidavit, but you did have the agreement attached,
6 and one was in front of the other.

7 And the agreement is just as you
8 describe it. It appears to be reasonable, and so
9 I'll approve the application.

10 Tell me about this binding mediation.
11 It's almost an oxymoron, isn't it?

12 MR. OLSEN: Well, I guess the
13 mediators don't know there's a floor and a ceiling.
14 I'm not sure where that comes from, but that's --
15 yeah.

16 And whatever number they come back at
17 is the number we're able to settle at, except if it's
18 a not guilty or a zero recovery, we get 50,000, but
19 to come back at 3 million, we're capped at 300,000.

20 THE COURT: Interesting.

21 MR. OLSEN: A copy of the mediation
22 agreement should also be attached to that motion.

23 THE COURT: And I do see that. That
24 appears to be in order. It's one of those you wish
25 them luck.

1 MR. OLSEN: I don't want to
2 micromanage his case.

3 THE COURT: But that, too, sounds
4 reasonable. There's been no objection?

5 MR. OLSEN: Correct.

6 THE COURT: Very well. I will approve
7 -- authorize, if you will, for you to enter into the
8 binding mediation agreement, see where it takes you.

9 MR. OLSEN: Thanks, Your Honor.

10 (End of audio to be transcribed.)
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CERTIFICATE

I, JERRI ESTELLE, CSR, do hereby
certify that the foregoing is a true and accurate
transcription of proceedings electronically recorded
in the matter of PAUL R. DULBERG, 14 B 83578 on
October 31, 2016, which was submitted to D&E
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Jerri Estelle, CSR /S/
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